

## 2014 Current Fiscal Year Report: Joint CFTC-SEC Advisory Committee on Emerging Regulatory Issues

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### 1. Department or Agency

Securities and Exchange Commission

### 2. Fiscal Year

2014

### 3. Committee or Subcommittee

Joint CFTC-SEC Advisory Committee on Emerging  
Regulatory Issues

### 3b. GSA Committee No.

73617

### 4. Is this New During Fiscal Year?

No

### 5. Current Charter

05/11/2012

### 6. Expected Renewal Date

### 7. Expected Term Date

05/11/2014

### 8a. Was Terminated During Fiscal Year?

Yes

### 8b. Specific Termination Authority

### 8c. Actual Term Date

05/11/2014

### 9. Agency Recommendation for Next Fiscal Year

Terminate

### 10a. Legislation Req to Terminate?

No

### 10b. Legislation Pending?

Not Applicable

### 11. Establishment Authority Agency Authority

### 12. Specific Establishment Authority

Serialim votes to establish the committee by  
CFTC and SEC.

### 13. Effective Date

05/10/2010

### 14. Committee Type

Continuing

### 14c.

### Presidential?

No

### 15. Description of Committee Other Committee

### 16a. Total Number of Reports

No Reports for this  
Fiscal Year

### 17a. Open Meetings and Dates 0 17b. Closed Meetings and Dates 0 17c. Partially Closed Meetings and Dates 0 17d. Total Meetings and Dates 0

No Meetings

### Current FY Next FY

### 18a(1). Personnel Pmts to Non-Federal Members

\$0.00 \$0.00

### 18a(2). Personnel Pmts to Federal Members

\$0.00 \$0.00

### 18a(3). Personnel Pmts to Federal Staff

\$0.00 \$0.00

### 18a(4). Personnel Pmts to Non-Member Consultants

\$0.00 \$0.00

### 18b(1). Travel and Per Diem to Non-Federal Members

\$0.00 \$0.00

### 18b(2). Travel and Per Diem to Federal Members

\$0.00 \$0.00

### 18b(3). Travel and Per Diem to Federal Staff

\$0.00 \$0.00

<b>18b(4). Travel and Per Diem to Non-member Consultants</b>	\$0.00	\$0.00
<b>18c. Other(rents,user charges, graphics, printing, mail, etc.)</b>	\$0.00	\$0.00
<b>18d. Total</b>	\$0.00	\$0.00
<b>19. Federal Staff Support Years (FTE)</b>	0.00	0.00

**20a. How does the Committee accomplish its purpose?**

At its meetings, the committee hears from panels of industry members involved in securities market events and discusses relevant issues and possible solutions.

**20b. How does the Committee balance its membership?**

Members were selected by the CFTC and SEC with a variety of viewpoints, backgrounds, and fields of expertise relevant to the issues to be addressed by the Committee

**20c. How frequent and relevant are the Committee Meetings?**

Meetings are scheduled as necessary to discuss market events and emerging regulatory issues.

**20d. Why can't the advice or information this committee provides be obtained elsewhere?**

Financial and economic developments in recent years have shown a pressing need for reform of securities and derivative regulation. A joint CFTC-SEC committee on emerging regulatory issues is needed to help address this need by providing the highest possible level of expertise and because here are substantial connections between and commonalities among the regulatory issues faced by the Commodity Futures Trading Commission and the Securities and Exchange Commission in carrying out their statutory responsibilities as well as a need for continuing progress in regulatory harmonization by the two agencies.

**20e. Why is it necessary to close and/or partially closed committee meetings?**

NA

**21. Remarks**

One of the most important events was the report issued by this joint committee in February 2011. (The meeting was rescheduled for March due to snow.)The report addressed the events of May 6, 2010 and the subsequent investigation, analysis, and reporting by the staffs of the Commodity Futures Trading Commission ("CFTC") and the Securities and Exchange Commission ("SEC" and together with the CFTC, the "Commissions") have highlighted many important policy and practice issues in today's securities and futures market environment. In this Summary Report, the CFTC-SEC Joint

Advisory Committee on Emerging Regulatory Issues focuses on recommendations targeted at the most important and pervasive issues affecting investors and the markets, rather than attempting to address all of the topics that have been raised in the course of our work. The committee held no meetings in FY 2013, nor was any staff support work performed in FY 2013. The committee held no meetings in FY 2014, nor was any staff support work performed in FY 2014.

### Designated Federal Officer

James Burns Deputy Director, Division of Trading & Markets, SEC

Committee Members	Start	End	Occupation	Member Designation
Born, Brooksley	05/10/2010	05/11/2014	Retired Partner, Arnold & Porter	Representative Member
Brennan, John	05/10/2010	05/11/2014	Fmr. Chairman & CEO	Representative Member
Engle, Robert	05/10/2010	05/11/2014	Professor, NYU Stern School of Business	Representative Member
Ketchum, Richard	05/10/2010	05/11/2014	Chairman and Chief Executive Officer	Representative Member
O'Hara, Maureen	05/10/2010	05/11/2014	Professor of Finance	Representative Member
Phillips, Susan	05/10/2010	05/11/2014	Dean and Professor of Finance, The George Washington University School of Business	Representative Member
Ruder, David	05/10/2010	05/11/2014	Professor, Northwestern University	Representative Member
Stiglitz, Joseph	05/14/2010	05/11/2014	Professor, Columbia University	Representative Member
Wetjen, Mark	12/16/2013	05/11/2014	Chairman	Regular Government Employee (RGE) Member
White, Mary Jo	04/10/2013	05/11/2014	Chairman	Regular Government Employee (RGE) Member

**Number of Committee Members Listed: 10**

### Narrative Description

Committee gathered information relating to, and analyzed, unusual market fluctuations of May 6, 2010. It issued a report and recommendations in February 2011.

### What are the most significant program outcomes associated with this committee?

Checked if Applies

Improvements to health or safety	<input type="checkbox"/>
Trust in government	<input checked="" type="checkbox"/>
Major policy changes	<input type="checkbox"/>
Advance in scientific research	<input type="checkbox"/>
Effective grant making	<input type="checkbox"/>
Improved service delivery	<input type="checkbox"/>
Increased customer satisfaction	<input type="checkbox"/>
Implementation of laws or regulatory requirements	<input checked="" type="checkbox"/>
Other	<input type="checkbox"/>

## Outcome Comments

The Committee conducted a review of the market events of May 6 and made recommendations related to market structure and liquidity issues that may have contributed to the volatility experienced on that day. The Committee has received two reports from the staffs of the CFTC and the SEC, a report dated May 18, 2010: "Preliminary Findings Regarding the Market Events of May 6, 2010," and a report dated September 30, 2010: "Findings Regarding the Market Events of May 6, 2010." It has received testimony and comments from various market participants and has held public meetings on May 24, June 22, August 11, and November 5, 2010.

## What are the cost savings associated with this committee?

Checked if Applies

None	<input checked="" type="checkbox"/>
Unable to Determine	<input type="checkbox"/>
Under \$100,000	<input type="checkbox"/>
\$100,000 - \$500,000	<input type="checkbox"/>
\$500,001 - \$1,000,000	<input type="checkbox"/>
\$1,000,001 - \$5,000,000	<input type="checkbox"/>
\$5,000,001 - \$10,000,000	<input type="checkbox"/>
Over \$10,000,000	<input type="checkbox"/>
Cost Savings Other	<input type="checkbox"/>

## Cost Savings Comments

What is the approximate Number of recommendations produced by this committee for the life of the committee?

14

## Number of Recommendations Comments

What is the approximate Percentage of these recommendations that have been or will be Fully implemented by the agency?

57%

## % of Recommendations Fully Implemented Comments

The Commissions have engaged in rulemaking implementing several of the Committee's

recommendations.

**What is the approximate Percentage of these recommendations that have been or will be Partially implemented by the agency?**

36%

**% of Recommendations Partially Implemented Comments**

Several of the Committee's recommendations were that the Commissions evaluate or study specific topics or potential rule changes. The Commissions have engaged in discussions with market participants to gather and analyze their views.

**Does the agency provide the committee with feedback regarding actions taken to implement recommendations or advice offered?**

Yes ☒ No ☐ Not Applicable ☐

**Agency Feedback Comments**

Through the DFOs. The Joint Committee has not held a meeting in FY 2012 but will review prior recommendations and actions taken by the Commissions at future meetings.

**What other actions has the agency taken as a result of the committee's advice or recommendation?**

Checked if Applies

Reorganized Priorities	<input type="checkbox"/>
Reallocated resources	<input type="checkbox"/>
Issued new regulation	<input checked="" type="checkbox"/>
Proposed legislation	<input type="checkbox"/>
Approved grants or other payments	<input type="checkbox"/>
Other	<input checked="" type="checkbox"/>

**Action Comments**

The Joint Committee issued a report and recommendations for CFTC and SEC regulatory action in response to the market events of May 6, 2010.

**Is the Committee engaged in the review of applications for grants?**

No

**Grant Review Comments**

**How is access provided to the information for the Committee's documentation?**

Checked if Applies

Contact DFO

☐

Online Agency Web Site

☒

Online Committee Web Site

☐

Online GSA FACA Web Site

☐

Publications

☒

Other

☒

**Access Comments**

CFTC and SEC Secretariats